# GOVERNMENT OF INDIA
# SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTR
# LOK SABHA

UNSTARRED QUESTION NO:6957
ANSWERED ON:10.05.2000
INDUSTRIAL DISTRICTS
P.D. ELANGOVAN;PRABHAT KUMAR SAMANTARAY

**Will the Minister of SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTR be pleased to state:**

(a) the steps taken by the Government to provide more financial assistance for the promotion of micro and small enterprises in the country;

(b) whether the Government have received any requests from the States particularly Tamil Nadu to develop more Industrial districts and to create better infrastructural facilities to the Small Scale Industries; and

(c) if so, the details thereof?

## Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF SMALL SCALE INDUSTRIES AND AGF RURAL INDUSTRIES

(SMT. VASUNDHARA RAJE)

(a) Government of India has taken various steps to enhance the flow of credit to the small scale sector including the tiny sector, which inter alia, includes earmarking 60% of SSI credit under priority sector lending for the tiny sector, dispensing with collaterals for loans upto Rs. 5 lakhs, formulation of Credit Guarantee Scheme, enhancement of Composite Loan limit to Rs. 10 lakhs, enhancement of limit of project cost upto Rs. 25 lakhs under the National Equity Fund Scheme, opening up of specialised SSI bank branches and simplified procedure for sanction of working capital loan upto Rs. 5 crores based on normative requirement of 20% of the annual projected turnover of the units.

(b) & (c): Since the launching of the Integrated Infrastructural Development (IID) Scheme in March, 1994 on the basis of the proposals received from various States/Union Territories (duly appraised by Small Industries Development Bank of India) 53 IID Centres have been sanctioned so far; these include four Centres in Tamil Nadu at Uranganpatty (District: Madurai), Thirumudivakkam (District: Kancheepuram), Kittampalayam (District: Coimbatore) and Kattur Avadi (District: Chengai MGR)At present, there is no proposal pending with the Government for more IID Centres from Tamil Nadu.